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DEPARTMENT FOR CA/VO POSTS FOR CONS

E.O. 12958: N/A

TAGS: CVIS CMGT ECON EFIN AR

SUBJECT: ARGENTINES FLOCK TO DISNEY, LEAVING THE CRISES BEHIND

SUMMARY

11. (U) While Argentina's economy has contracted sharply in the wake of the global financial crisis and negative GDP growth is widely projected for 2009, demand for non-immigrant visas (NIVs) continues to rise. In the first quarter of 2009, daily demand for visas has gone from an average of 525 appointment requests a day in January to 650 appointment requests a day in April. Cheap airfares, deeply discounted package deals, bargain prices for consumer goods in the United States, and the Argentine's tolerance for economic volatility are all contributors to this increase. End Summary.

## IT'S A SMALL WORLD AFTER ALL

- 12. (U) Argentine travel to the United States is at an all-time high, in spite of the global financial crisis. According to Foreign Commercial Service statistics, in January 2009 nine percent less international visitors overall traveled to the United States, yet Argentine U.S.-bound travel grew 19 percent. This makes January the 30th consecutive month of growth in Argentine travel to the United States. In the region, Argentina is the only country with double-digit growth. In the world, only two other countries are listed as having double-digit growth in travel to the U.S. in January -- China and Russia.
- 13. (U) Applicants cite cheap airfare and discounted package deals as the main reasons for their continued travel. (Current round-trip airfares from Buenos Aires to major U.S. points of entry are roughly 40% below levels offered a year ago. They remain attractive notwithstanding a roughly 20% devaluation of the Argentine Peso vis the dollar over the past 6 months.) The Argentine attitude towards crises is another contributing factor. Argentines have confronted periodic economic crises for decades. Visa applicants tell us they are used to significant economic volatility and periodic economic crises and do not see the current global downturn as particularly distressing.
- ¶4. (U) Additionally, FCS continues to promote tourism to the USA as a service export. Ambassador Wayne recently spoke to a group of Argentine tour operators in Salta to promote U.S. destinations. The FCS travel and tourism specialist continues to work with the Visit USA committee in Argentina, and next week will take 62 Argentines (tour operators and tourism press) to the "Pow Wow" travel trade show in Miami.

DEMAND FOR DISNEY

15. (U) As a result, Buenos Aires has seen unprecedented, continuous demand for NIVs that shows no sign of waning. While past experience has shown surges in visa applications based on well-established patterns of cyclical demand, for example, before holidays or summer vacation. There have been no such cycles this year, only continuous demand that shows no signs of tapering off.

16. (U) NIV workload statistics show a 7.78 percent increase in adjudications from October 1, 2008 through April 30, 2009; however, call center statistics indicate a 14.68 percent uptick in requests for appointments for the same period. Even more surprising, in the first four months of calendar year 2009, when we should have seen a decline in demand, we saw a 29 percent increase, with daily appointment requests going from an average of 525 to an average of 1677. In April 2009, we saw record high demand, with over 900 appointments requested on several different days.

## DEALING WITH DEMAND

- 17. (U) To deal with continuing demand and manage our backlog, Post has put together a short-term contingency plan, which involves constant monitoring and juggling of staffing resources, but we believe we may need TDY support in the future. We appreciate AmEmbassy Lima's willingness to send an officer TDY when we had a long-term staffing gap because of paternity leave and our backlog rose to more than 30 days.
- 18. (U) Disney dreams are in many young Argentine's heart, and the number of teens seeking visas to Disney to celebrate their 15th birthdays almost doubled in CY 2008 over CY 2007. Anecdotal evidence from applicants suggests that the numbers we are seeing may be the new norm. If so, Post will work with CA to find additional staff resources to deal with this new, higher base-line demand level.

WAYNE